



**CITY OF LODI
COUNCIL COMMUNICATION**

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AGENDA TITLE: Receive for informational purposes annual Housing Element report for submittal to the Department of Housing and Community Development

MEETING DATE: December 21, 2005

PREPARED BY: Community Development Director, Randy Hatch

RECOMMENDED ACTION: Information item only

BACKGROUND INFORMATION: As required by California Government Code Section 65400 Cities are required to submit an annual report of the progress of their Housing Element Implementation to the Department of Housing and Community Development. This report is also required to qualify for the 2005 Work Force Housing Program and must be received by the Department by December 31, 2005. The report covers the prior calendar year of 2004 and details the City's progress toward meeting its regional housing needs allocation (RHNA) by income level, implementation of the housing element.

FISCAL IMPACT: None

FUNDING AVAILABLE: Not Applicable

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Peter Pirnejad
Planning Manager

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Randy Hatch
Community Development Director

RH/pp/kc

Attachments: 2004 WFH Annual Progress Report on Implementation of the Housing Element: General Plan Report requirement pursuant to Section 65400 of the Government Code

APPROVED:

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Blair King, City Manager

ATTACHMENT D
WFH Annual Progress Report
on Implementation of the Housing Element
General Plan Report requirement pursuant to
Section 65400 of the Government Code

Jurisdiction: City of Lodi

Address: 221 West Pine Street, P.O. Box 3006, Lodi, CA 95241

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Report Period: January 1, 2004

To: December 31, 2004

The following information should be included in the report:

A. Progress in meeting Regional Housing Need.

1. Total number of new housing permits issued:
317 Total New Housing Permits for Detached Dwelling Units where issued in the 2004 Calendar year.
2. Describe the affordability, by income level, of new units including the number of deed restricted affordable housing units.
The affordability by income level is described as part of the answer to question number 3. There were no deed-restricted housing units in the 2004 calendar year.
3. Compare units added to regional housing need allocation by income category (very low, low, moderate, and above moderate).

Income Category	RHNA Allotment		Units Added in 2004 Calendar year
	Percent	Number of Units	
Very Low ¹	24.7%	990	3
Low	16.5%	664	17
Moderate ²	18.4%	738	160
Above Moderate	40.4%	1622	137
TOTAL	100%	4014	317

¹Very Low includes Extremely Low

²Moderate includes Median

B. The effectiveness of the housing element in attainment of the community's housing goals and objectives.

1. Include a program-by-program status report relative to implementation schedule from each program in the housing element; describe actions taken to implement each program.

See attached Matrix titled “**THE EFFECTIVENESS OF THE HOUSING ELEMENT IN ATTAINMENT OF THE COMMUNITY'S HOUSING GOALS AND OBJECTIVES.**”

2. Assess effectiveness of actions and outcomes.

See attached Matrix titled “**THE EFFECTIVENESS OF THE HOUSING ELEMENT IN ATTAINMENT OF THE COMMUNITY'S HOUSING GOALS AND OBJECTIVES.**”

C. Progress toward mitigating governmental constraints identified in the housing element.

1. Include information on actions taken to mitigate identified constraints.

As part of the housing element status report actions were identified to mitigate those identified constraints to the policies in the Housing Element.

2. The annual progress report should indicate if no constraints were identified in the housing element.

There were a few constraints but they were identified and suggested mitigation efforts were described.

	status report relative to implementation schedule from each program	actions taken to implement each program	effectiveness of actions and outcomes	
1	The City shall promote the development of a broad mix of housing types through the following mix of residential land uses: 65 percent low density, 10 percent medium density, and 25 percent high density.	The status of this measure is effective and is being implemented through the City's Growth Management Allocation Rating System	This mix of housing has been incorporated into our Growth Management Allocation Rating system in which we distribute a max number of housing units equal to annual residential growth rate of 2.0 percent in the various density proportions mentioned in the policy statement	The effectiveness is good in that we have established an easy to understand mechanism of enforcing the density allocations. The shortfall is the markets ability to develop the higher density units.
2	The City shall regulate the number of housing units approved each year to maintain a population-based annual residential growth rate of 2.0 percent, consistent with the recommendations of the Mayor's Task Force and the growth management ordinance.	The City has been successful in following through with this policy and have reported less than 2% growth per year.	The City continues to monitor and enforce the Growth Management Allocation Rating Program	Very effective in maintaining growth caps and thereby permitting growth at an orderly rate
3	The City shall continue to exempt senior citizen housing projects from the growth management ordinance.	The City continues to exempt senior citizen housing projects from the growth management ordinance.	The actions taken to implement this program is to exempt these types of uses from the City's growth management ordinance.	There was nothing to report in the 2004 Calendar year however the following calendar year in 2005 the City had received applications for senior housing projects. It seems that the developer interest for such uses is softening.
4	The City shall exempt very low- and/or low-income housing units from the growth management ordinance.	The City continues to exempt very low- and/or low-income housing units from the growth management ordinance.	The actions taken to implement this program is to exempt these types of uses from the City's growth management ordinance.	During the 2004 Calendar year the City finaled 20 new market rate very low/low income affordable dwelling units.
5	The City shall maintain and regularly update its land use database to monitor vacant residential land supply.	This City continues to monitor this effort and has had success in maintaining a current and up-to-date database of its vacant land supply	The City has a database created in-house that monitors the supply of vacant land supply within the city core as well as when new subdivisions come on-line.	The results of this action has proved to be very effective. The City maintains less than 1% land vacancy rate throughout the City.

	status report relative to implementation schedule from each program	actions taken to implement each program	effectiveness of actions and outcomes
6	<p>The City shall pursue available and appropriate state and federal funding programs and collaborate with nonprofit organizations to develop affordable housing.</p> <p>The City continues to market and administer a CDBG/HOME Program that has been successful in providing funding to serve affordable housing needs.</p>	<p>In addition to the Down-Payment Assistance Program administered by the City, we have provided Federal CDBG & HOME Program funding to the Housing Authority and LOEL Foundation for affordable housing projects.</p>	<p>\$81,580 of down-payment assistance has been provided to two low-income, first-time home buyers. In addition, two apartment buildings have been acquired and designated for affordable senior housing, and the Housing Authority is building a duplex to serve affordable housing needs.</p>
7	<p>The City shall promote the expeditious processing and approval of residential projects that conform to General Plan policies and City regulatory requirements.</p> <p>The City continues to promote the expeditious processing and approval of residential projects that conform to General Plan policies and City regulatory requirements</p>	<p>The City regularly approves and expeditiously process such requests many of with are approved administratively</p>	<p>This policy has proven to be helpful in promoting the goal of providing a range of housing types and densities for all economic segments of the community while emphasizing high quality development, homeownership opportunities, and the efficient use of land</p>
8	<p>The City shall seek to reduce the cost impact of its policies, regulations, and permit procedures on the production of housing, while assuring the attainment of other City objectives.</p> <p>The City continues to reduce the cost of impacts of its policies, regulations and permits procedures on the production of housing</p>	<p>The City offers incentives to various housing developers such as predevelopment meetings with multiple departments in an effort to streamline the review process and equip prospective developers with the information they need to expedite their plan review process</p>	<p>This policy has proven to be effective in that we have received many compliments from developers that state that our efforts have saved them time and money which has positively affected the production of their product.</p>
9	<p>The City shall grant density bonuses of at least 25 percent and/or other incentives in compliance with state law for projects that contain a minimum specified percentage of very low-income, low-income, or qualifying senior housing units or units designed to facilitate individuals with physical challenged.</p> <p>Although this policy is in effect we have not received any inquiry on this benefit. The City already offers competitive densities for the medium density range and for that reason we believe that the market has not demonstrated a need.</p>	<p>This benefit has been available to developers however has not been used to its fullest extent. The issue is more a function of the market conditions and the availability of subsidies for these types of units then the City's ability to entice the developers</p>	<p>Although this policy has not contributed to the overall goal it has proven to be a good indicator that the City is doing all it can to capture the available housing market in this area.</p>

	status report relative to implementation schedule from each program	actions taken to implement each program	effectiveness of actions and outcomes	
10	<p>The City shall seek to intersperse very low- and low-income housing units within new residential developments and shall ensure that such housing is visually indistinguishable from market-rate units.</p>	<p>Although the City has the intention to approve such a development. The price of land in the City has made it difficult for developers to include affordable units into their development. However, we are continuing to make efforts to require such units into upcoming specific/development plans</p>	<p>The City is pursuing the preparation of various specific and development plans that will have requirements to include a mix of affordable and market-rate units throughout its design and shall ensure that such housing is visually indistinguishable from market-rate units</p>	<p>Although the City has nothing to report this last calendar year we are planning to see some units incorporated into upcoming neighborhood designs.</p>
11	<p>The City shall continue to allow and encourage the development of a variety of housing and shelter alternatives, both renter and owner, to meet the diverse needs of the City's population.</p>	<p>The City has approved a homeless shelter which just celebrated its grand opening this calendar year. The Salvation Army which expanded a previous operation can now accommodate men and women in their new expanded bi-gender shelter</p>	<p>In an effort to promote such an expanded use the City waived all its required parking and only held the applicant to the required handicap parking and access requirements as described by ADA</p>	<p>The policy proved to be effective and because of it the City now has an expanded shelter for its homeless population</p>
12	<p>The City shall promote the development of senior and other special needs housing near, and/or with convenient public transportation access to, neighborhood centers, governmental services, and commercial service centers.</p>	<p>The City continues to make progress. Its most recent success was the conversion of a market rate apartment complex to senior housing through the use of HOME and CDBG funds</p>	<p>Funding has been provided to support affordable housing for seniors across the street from the LOEL (Lodi Elderly) Senior Center.</p>	<p>This project has been well received. The project provided ten more units than what was available before the conversion.</p>
13	<p>The City shall encourage infill residential development and higher residential densities within the existing City limits near transit stops, and compact development patterns in annexation areas to reduce public facility and service costs, avoid the premature conversion of natural resource and agricultural lands, and reduce the number of trips from private vehicles.</p>	<p>The City is making continued progress with this Policy. The City has been able to achieve a less than 1% vacancy rate within its corporate boundaries. We also have in place a stringent growth management allocation system that heavily promotes infill development over ag-conversion</p>	<p>The City has in place a Growth Management Allocation Process that monitors and controls the conversion of ag land and promotes in-fill development. The City is also very accomidating in its approval of second units in an effort to increase density and maximize infill.</p>	<p>As stated the effectiveness of this Policy can be measured by our land vacancy rate throughout the City. The City is tightly packed in less than 12 square miles.</p>

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14	<p>The City shall encourage private reinvestment in older residential neighborhoods and private rehabilitation of housing.</p>	<p>The City continues in its efforts to encourage rehabilitation of housing. This is achieved by having flexible and accomidating second unit provisions which permit limited income homeowners to create an income source through the rental of a second until. Then said monies can be used to make needed home improvements</p>	<p>The City is in the final stages of updated it's Zoning and Subdivision Ordinance in an effort to grant homeowners more flexibility in the creation of second rentable units thereby providing an additional revenue source to fund reinvestment into neighborhoods.</p>	<p>The effectiveness continues to be evident as the City neighborhoods develop more distinguishing characteristics and charm through their continual reinvestment and improvements</p>
15	<p>The City shall prohibit the conversion of existing single-family units to multifamily units on residentially zoned properties less than 6,000.</p>	<p>The City has and will continue to enforce this policy.</p>	<p>The Zoning Ordinance has already been modified to restrict the conversion of single family units to multi-family on residential properties less than 6,000, in an effort to promote owner-occupied units in the City which sparks reinvestment and rehabilitation of housing</p>	<p>The effectiveness has been positive as the City has seen a halt in these types of conversions. The challenge now is to try to coordinate the uses in an effort to make the multi-family units indistinguishable from the single family units</p>
16	<p>The City shall use available and appropriate state and federal funding programs and collaborate with nonprofit organizations to rehabilitate housing and improve older neighborhoods.</p>	<p>The City continues to research and apply for grants that are earmarked for this purpose</p>	<p>Most recently the City has applied for a TOD Grant that would provide a funding mechanism to create a plan that would bring mixed use dwelling/retail space into the CBD within walking distance of the City's new Multi-model transportation Depot</p>	<p>The effectiveness has been positive. The City has already received a \$94,000 grant to create a plan to improve transit corridors in the more culturally distinct areas of the City in an effort to celebrate the distinct culture and heritage of key areas of the City.</p>
17	<p>Housing rehabilitation efforts shall continue to be given high priority in the use of Community Development Block Grant (CDBG) funds, especially in the Eastside area.</p>	<p>The status of this policy is dynamic as the City continues to see significant amount of momentum already generated through the hard work of the City's Community Improvement Manager and the use of the CDBG/HOME funding</p>	<p>The City continues to market the CDBG/HOME Program funded Housing Rehabilitation Program, where over \$470,000 in funding is available.</p>	<p>\$220,000 in Housing Rehab loans have been provided to two low-income residents.</p>

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18	The City shall support the revitalization of older neighborhoods by keeping streets and other municipal systems in good repair.	The City's Public Works department continues to maintain and improve the public right-of-ways.	The City has a CIP in place that charts out the needed improvements and associated costs over a 5-year period	The effectiveness is evident in the well maintained streets that the Citizens of Lodi enjoy daily.
19	The City shall allow reconstruction of existing housing in the Eastside area and in commercially or industrially designated areas in the event such housing is destroyed or damaged.	The program has continued success and is defined in chapter 17 of the City's Municipal Code	The City has a policy that permits the reconstruction of damaged units in the event of a fire or natural catastrophe provided that the replacement does not exceed 50% of its reasonable value.	The City has very few incidents of fire and therefore the success of this policy is limited. However, in the events that we have had to implement this policy, it has proved to be effective.
20	The City shall implement historic preservation guidelines to preserve historically significant residential structures and insure that infill projects fit within the context of the neighborhood. (See the Urban Design and Cultural Resources Element for implementation of this policy.)	The City has a design review committee known as SPARC (Site Plan and Architectural Review Committee) They are tasked with the responsibility to insure that all new development has an acceptable level of design and architecture that reflects the expectations of the City.	In addition to the establishment of SPARC the city adopted Downtown Development Standards and Guidelines. In the future the City is anticipating the creation of additional guidelines to improve transit corridors in specific neighborhoods in the City to celebrate the specific culture of that neighborhood.	The effectiveness is reflected in the character the City has been able to create throughout its various communities. The City is considering the creation of historic preservation guidelines in the near future to further this policy measure.
21	The City shall continue to enforce residential property maintenance standards.	The City has an on-going code enforcement program that addresses issues related to property maintenance standards and substandard housing.	581 complaints pertaining to property maintenance and substandard housing issues were received and investigated in 2004.	Although the City lacks the available staff to be truly "proactive" the City is leveraging its resources to maximize its enforcement efforts
22	The City shall support the use of CDBG funds for the upgrading of streets, sidewalks, and other public improvements.	The City is making active and continued progress in the implementation of this policy.	CDBG funding has been provided to install handicap ramps at corners and other locations which serve low-income residents and public facilities.	As described earlier the City has already started to demonstrate the fruits of our efforts in the increased number of handicap ramps at corners and other locations which serve low-income residents and public facilities.

	status report relative to implementation schedule from each program	actions taken to implement each program	effectiveness of actions and outcomes
23	<p>The City shall ensure that new residential development pays its fair share in financing public facilities and services and will pursue financial assistance techniques to reduce the cost impact on the production of affordable housing.</p> <p>The City continues to identify new ways and funding mechanisms to insure that all new development pay their fair share.</p>	<p>The City recently underwent a User fee analysis and is anticipating another update in the near future. The City is also looking at a host of impact fees to help in this effort. The City also recently passes a Development Agreement Ordinance that enabled the practice of entering into and executing Development Agreements with developers</p>	<p>The City recently identified their Community Development Department as an Enterprise Fund and thereby created an incentive to insure that the department is self-funded. In that regard the department has begun researching and pursuing innovative funding mechanisms to insure the cost of development is not subsidized by the City's General Fund</p>
24	<p>The City shall ensure that all necessary public facilities and services shall be available prior to occupancy of residential units.</p> <p>This is a practice that the City has and continues to regulate. Through a joint effort between public works and community development the City's efforts have been successful</p>	<p>The city has a mechanism that provides various internal departments to comment on new developments, parcel maps, etc. In that regard the City conditions new development to ensure that all the utilities have been provided prior to occupancy.</p>	<p>The effectiveness of this policy is positive. As part of the final approval public works and utilities has to sign off on new development prior to issuance of a final Certificate of Occupancy</p>
25	<p>The City shall require that park and recreational acquisitions and improvements keep pace with residential development.</p> <p>The City is making every effort to comply with this policy and to date sees no restraints in meeting its intent</p>	<p>The City requires the incorporation of new recreational parks and open space as part of new subdivisions and Specific Plans in line with the Policy</p>	<p>The effectiveness of this action is positive and the citizens of Lodi enjoy many recreational opportunities thanks to the implementation of said policy measure</p>
26	<p>The City shall seek to address the special housing needs of persons with disabilities, lower-income large families, seniors, single-parent households, farmworkers, and persons in need of temporary shelter.</p> <p>The City is taking active steps to address the special housing needs of persons identified in this policy.</p>	<p>The City has identified these housing needs in the public information and participation process related to the annual CDBG/HOME Program Notice of Funding Availability.</p>	<p>CDBG/HOME Program funding has been provided to address these needs and additional housing has been provided.</p>

	status report relative to implementation schedule from each program	actions taken to implement each program	effectiveness of actions and outcomes	
27	The City shall make available to the public information on nonprofit, county, state, and federal agencies that provide education, mediation, and enforcement services related to equal housing opportunity.	The City has mechanisms in place that are designed to distribute public information related to equal housing opportunities	Educational and information materials are distributed through the public contact at our office and through our field contact in our code enforcement activities.	The level of effectiveness of this program is difficult to manage because we are dealing with an intangible item, I.e. the education of persons regarding equal housing opportunities. It can be said that the monies allocated through our CDBG/HOME Programs are well received and understood throughout the City
28	The City shall establish regulations that govern the conversion of apartments and mobile home parks to condominiums to reduce the displacement of lower-income households.	The status of this policy is positive and the City can report that we have put measures in place to insure meeting this policy	The City has adopted a Community Housing Project Conversion Chapter of the Municipal Code that establishes criteria for the conversion of the existing multifamily rental housing to condominiums, community apartments or stock cooperatives.	The effectiveness has been positive in that we have started to see interest by prospective developers to start converting some existing apartments into Condo units while meeting the conversion criteria to address displacement,
29	The City shall work with surrounding jurisdictions to address the needs of the homeless on a regional basis.	An accurate count and the assessment of the needs for homeless has become a mandate for participation in HUD-funded programs.	The City participated in a County-wide census and survey of needs.	The information gathered will be used to determine where best to direct CDBG funding to address the identified needs and reduce homelessness.
30	The City shall cooperate with community-based organizations that provide services or information regarding the availability of assistance to the homeless.	Progress on this policy is positive. The City has procured funding through the CDBG to put toward this effort	CDBG funding is provided to the Salvation Army and other organizations which serve the homeless.	Additional shelter space was provided with the assistance of CDBG funding. This also allowed for shelter space for women and children that were previously unavailable.
31	The City shall continue to promote fair housing programs and services to residents and property owners in Lodi.	The City is making continued efforts in promoting this policy through the use of CDBG Funding.	CDBG funding is provided to the local Fair Housing Agency and there is a strong working relationship between that agency and our service providers that are reaching the affected clients.	The City has seen measured success in this area most notably in the area of the City that require housing assistance.

	status report relative to implementation schedule from each program	actions taken to implement each program	effectiveness of actions and outcomes
32 The City shall require the use of energy conservation features in the design and construction of all new residential structures and shall promote the use of energy conservation and weatherization features in existing homes.	The City continues to improve the standards for energy efficiency of new residential buildings and is providing programs and encourages energy upgrades on existing homes.	Enforcement of the new State energy regulations coupled with the City sponsored training of staff, construction and design communities has helped in the implementation of the City's programs for improving energy efficiencies. The City is a participating member in the Community Energy Efficiency Program that encourages construction of energy efficient homes beyond the state requirements.	The training of staff and the education of the local construction and design communities have made a difference in improving the energy efficiency of all new projects. The participation in the Community Energy Efficiency Program will also improve the energy efficiencies of new homes.
33 The City shall require solar access in the design of all residential projects.	The status on the policy is ongoing. To date we have implement this policy on a case-by-case bases.	The City has reserved its right require that all new subdivisions provide cross access easements for sunlight in the event that a neighbor were to require direct sunlight as part of a solar system	The City has not had the opportunity or need to impose these requirements on new subdivision, however, we have reserved our right to do so.
34 The City shall pursue residential land use and site planning policies, and promote planning and design techniques that encourage reductions in residential energy consumption.	The status on this policy is ongoing. We have implemented this policy in the design of new subdivisions	The City attempts to incorporate land use design elements that promote design techniques that encourage reductions in residential energy consumption like Street trees and pedestrian oriented design	The effectiveness if positive in that we are making progress on a new development plan that incorporates many of these and other principles